Please replace the paragraph beginning at page 10, line 3, with the following rewritten paragraph:

In this example, let the selling system's 12 announced probability for event i be a_i when the true probability is p_i. Let $R(a_i)$ denote a reward or contingent payment function determining the contingent payment paid to the selling system 12 in case event i occurs, as a function of the announced probability for the condition to occur. In this example, the contingent payment function is set up so that the selling system 12 receives some contingent payment no matter what happens, although other payment schemes can be established. The expected reward to the seller who announces the set of probabilities $\{a_i\}$ when the true probabilities are $\{P'_i\}$ is

$$R\left[\vec{a}\right] = \sum_i p_i R(a_i) \tag{1}$$

where $\vec{a}$ is the vector of announced probabilities. We also have the constraints

$$\sum_i a_i = 1$$

and

$$\sum_i p_i = 1.$$

In this particular example, the contingent payment function shown in Eqn. 1 is set to be maximized if and only if $a_i = p_i$ subject to the normalization constraints. There are many functions that can accomplish this, one of them by way of example has the form

$$R(a_i) = k_1 + k_2 \log a_i \tag{2}$$

where k_1 and k_2 are arbitrary constants. With this contingent payment function, the selling system 12 who wishes to maximize the contingent payment has no incentive to select or set an announced probability for the condition being satisfied that is not substantially the same as the true probability for that event to occur. The resulting expected contingent payment for this choice of function is the negative entropy of the event distribution. The true probability is the actual likelihood that the condition will be satisfied when the event on which the

condition is based occurs and, for example, can be obtained from a study of the actual results or outcomes of the same or a similar condition. Other modifications to the contingent payment function can be made, such as incorporating risk aversion into the equation.

In The Claims:

Please amend claims 13 and 22-23 as follows:

13. (Amended) The system as set forth in claim 11 wherein the contingent payment processing system adjusts an amount for the first payment based on a probability that the condition for the contingency occurs.

22. (Amended) The medium as set forth in claim 21 further comprising receiving a base payment when the information has been provided to the buyer.

23. (Amended) The medium as set forth in claim 21 further comprising adjusting an amount for the first payment based on an announced probability that the condition for the contingency will occur.